

HOWELL AREA FIRE AUTHORITY

REPORT ON AUDIT OF
FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2008

HOWELL AREA FIRE AUTHORITY

AUTHORITY BOARD MEMBERS

William Bamber - Chairperson
Michael Coddington - Vice Chairperson
Mark Fosdick - Secretary
Paul Rogers - Treasurer
Robert Hanvey - Trustee

OTHER AUTHORITY BOARD MEMBER (non-voting)

Barbara Souchick - Assistant Secretary/Assistant Treasurer

ATTORNEY

Gentry Law Offices, P.C.

AUDITORS

Pfeffer, Hanniford & Palka
Certified Public Accountants

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PFEFFER ■ HANNIFORD ■ PALKA
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September 16, 2008

Board of Trustees
Howell Area Fire Authority
1211 W. Grand River
Howell, Michigan 48843

INDEPENDENT AUDITORS' REPORT

Honorable Board of Trustees:

We have audited the accompanying financial statements including the discretely presented component unit of the Howell Area Fire Authority as of and for the year ended June 30, 2008. These financial statements are the responsibility of the Authority Board. Our responsibility is to express an opinion on these financial statements based on the audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Township's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the government activities including the discretely presented component unit of the Howell Area Fire Authority, as of June 30, 2008, and the respective changes in financial position and cash flows, where applicable, thereof for the year end in conformity with accounting principles generally accepted in the United States of America.

The Management's Discussion and Analysis and other Required Supplementary Information on pages 6 through 9 and pages 30 and 31 are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Howell Area Fire Authority's basic financial statements. The supplementary information presented for purposes of additional analysis are not a required part of the basic financial statements. The supplementary information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and accordingly, we express no opinion on them.

Pfeffer, Hanniford & Palka, P.C.

PFEFFER, HANNIFORD & PALKA
Certified Public Accountants

MANAGEMENT
DISCUSSION
AND
ANALYSIS

Management Discussion and Analysis June 30, 2008

Within this section of the Howell Area Fire Authority's annual financial report, the Authority's management is providing a narrative discussion and analysis of the financial activities of the Authority for the fiscal year ended June 30, 2008. This narrative discusses and analyzes the activity within the context of the accompanying financial statements and disclosures following this section. The discussion focuses on the Authority's primary government and, unless otherwise noted, component units reported separately from the primary government are not included.

Overview of the Financial Statements

Management's Discussion and Analysis introduces the Authority's basic financial statements. The basic financial statements include government-wide financial statements, fund financial statements, and notes to the financial statements. The Authority also includes in this report additional information to supplement the basic financial statements.

Government-Wide Financial Statements

The Authority's annual reports include two government-wide financial statements. These statements provide both long-term and short-term information about the Authority's overall status. Financial reporting at this level uses a perspective similar to that found in the private sector with its basis in full accrual accounting and elimination or reclassification of internal activities.

The first of these government-wide statements is the Statement of Net Assets. This is the Authority-wide statement of position presenting information that includes all the Authority's assets and liabilities, with the difference reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Authority as a whole is improving or deteriorating. Evaluation of the overall health of the Authority may extend to various non-financial factors as well.

The second government-wide statement is the Statement of Activities which reports how the Authority's net assets changed during the current fiscal year. The design of this statement is to show the financial reliance of the Authority's distinct activities or functions on the revenues generated by the Authority.

Both government-wide financial statements distinguish governmental activities of the Authority that are intended to recover all or a significant portion of their costs through user fees and charges or by taxes collected. The Authority's financial reporting includes all the funds of the Authority and, additionally, organizations for which the Authority is accountable.

Fund Financial Statements

A fund is an accountable unit used to maintain control over resources segregated for specific activities or objectives. The Authority uses funds to ensure and demonstrate compliance with finance-related laws and regulations.

The Authority has one kind of fund, governmental fund. *Governmental funds* are reported in the financial statements and encompass essentially the same functions as governmental activities in the government-wide financial statements except with a different focus on the financial activity. These statements report short-term fiscal accountability focusing on the use of spendable resources and balances of these resources available at the end of the year. They are useful in evaluating annual financing requirements of governmental programs and the commitment of spendable resources for the near-term. Since the focus of the government-wide financial statements includes a long-term view, a reconciliation of these fund balances has been completed to detail its relation to net assets.

Notes to the financial statements

The accompanying notes to the financial statements provide information essential to a full understanding of both the government-wide and fund financial statements.

Other information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information. Other supplementary information includes detail by fund for receivables, payables, transfers, and payments within the reporting entity.

Financial Analysis of the Authority as a Whole

The Authority's net assets at the end of the fiscal year were \$2,105,111. This is a \$65,934 increase over last year's net assets of \$2,039,177.

The following tables provide a summary of the Authority's financial activities and changes in net assets:

Summary of Net Assets

	<u>6/30/2008</u>	<u>6/30/2007</u>
Current and other assets	\$ 1,649,962	\$ 1,378,363
Capital assets	<u>978,227</u>	<u>735,062</u>
Total assets	<u>2,628,189</u>	<u>2,113,425</u>
Accounts payable	26,194	12,357
Accrued expenses	77,403	42,561
Capital leases payable	<u>419,481</u>	<u>19,330</u>
Total liabilities	<u>523,078</u>	<u>74,248</u>
Net assets:		
Invested in capital assets	558,746	715,732
Unrestricted	<u>1,546,365</u>	<u>1,323,445</u>
Total net assets	<u>\$ 2,105,111</u>	<u>\$ 2,039,177</u>

Summary of Changes in Net Assets

	<u>6/30/2008</u>	<u>6/30/2007</u>
Revenues:		
Program revenues		
Charges for services	\$	\$ 340,000
Operating grants and contributions	13,200	30,625
General revenues		
Fire millage	1,901,600	1,811,997
Other	<u>53,556</u>	<u>41,096</u>
Total revenues	1,968,356	2,223,718
Expenses for fire protection	<u>1,902,422</u>	<u>1,966,204</u>
Increase in net assets	65,934	257,514
Beginning net assets	<u>2,039,177</u>	<u>1,781,663</u>
Ending net assets	<u><u>\$ 2,105,111</u></u>	<u><u>\$ 2,039,177</u></u>

Changes in Financial Status and Analysis of Authority's Fund

Under fund accounting, the Authority's overall General Fund fund balance increased by \$37,394, after transferring \$172,873 into the Capital Reserve Equipment Fund. The Capital Reserve Fund also increased its fund balance by \$185,526 because no capital purchases were made during the year from the reserve fund.

Budgetary Highlights

The budget originally adopted was amended for a fire engine they didn't expect to get until the next fiscal year. The expenditures budget was amended during the fiscal year to bring the budget closer to economic reality.

Capital Asset and Debt Administration

The Authority entered into a capital lease to finance a fire engine. The lease expires in 2013.

Economic Conditions and Future Activities

Future operations will be funded primarily by property taxes collected. However, the Authority has dedicated 0.1 mills of these collections to be set aside for future capital improvements. For the year ended June 30, 2008 a total of \$172,873 was collected for these improvements. The amount collected for these capital improvements is expected to increase slightly over the next year and then level out based on current economic conditions.

Effective July 1, 2007, the Howell Fire Authority was no longer contracting with the Brighton Area Fire Authority to cover 50% of Genoa Township. This loss of revenue approximates \$340,000 per year. For the past year management was able to reduce expenditures enough to cover the loss of revenue. Management will continue to search for ways to reduce expenditures in future years so a sufficient fund balance is maintained.

Contacting the Authority's Financial Management

This report is designed to provide a general overview of the Authority's financial position and comply with finance-related regulations. If you have any further questions about this report or request additional information please contact the Howell Area Fire Authority at 1211 W. Grand River, Howell, Michigan 48843.

BASIC
FINANCIAL
STATEMENTS

GOVERNMENT - WIDE
FINANCIAL STATEMENTS

HOWELL AREA FIRE AUTHORITY
STATEMENT OF NET ASSETS
JUNE 30, 2008

	<u>Primary Government</u>	<u>Component Unit - Hazardous Materials Fund</u>
	<u>Governmental Activities</u>	
ASSETS		
Cash and cash equivalents	\$ 1,589,506	\$ 66,186
Accounts receivable		7,000
Prepaid expenses	60,456	
Capital assets - net of depreciation	<u>978,227</u>	
Total assets	<u>2,628,189</u>	<u>73,186</u>
LIABILITIES		
Accounts payable	26,195	
Accrued wages	26,094	
Accrued vacation and sick	25,274	
Accrued expenses	26,034	
Capital leases payable		
Current portion	76,892	
Deferred portion	<u>342,589</u>	
Total liabilities	<u>523,078</u>	
NET ASSETS		
Invested in capital assets, net of related debt	558,746	
Unrestricted	<u>1,546,365</u>	<u>73,186</u>
Total net assets	<u><u>\$ 2,105,111</u></u>	<u><u>\$ 73,186</u></u>

The notes are an integral part of the financial statements.

HOWELL AREA FIRE AUTHORITY
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2008

Functions/Programs	Expenses	Program Revenues		Total Governmental Activities	Component Unit Hazardous Materials Fund
		Charges for Services	Operating Grants and Contributions		
Governmental activities:					
Fire protection	\$ (1,901,484)	\$	\$ 13,200	\$ (1,888,284)	\$
Interest on long-term debt	(938)			(938)	
Total	(1,902,422)		13,200	(1,889,222)	
Component Unit - Hazardous Materials Fund	(15,136)		28,000		12,864
General Revenues:					
Property taxes				1,901,600	
Unrestricted investment earnings				43,437	200
Other income				10,119	
Total general revenues				1,955,156	200
Changes in net assets				65,934	13,064
Net assets, July 1, 2007				2,039,177	60,122
Net assets, June 30, 2008				\$ 2,105,111	\$ 73,186

The notes are an integral part of the financial statements.

FUND
FINANCIAL
STATEMENTS

HOWELL AREA FIRE AUTHORITY
BALANCE SHEET
GOVERNMENTAL FUNDS AND COMPONENT UNIT
JUNE 30, 2008

	<u>Major Funds</u>			<u>Component Unit</u>
<u>ASSETS</u>	<u>General</u>	<u>Capital Reserve Equipment Fund</u>	<u>Total</u>	<u>Hazardous Materials Fund</u>
ASSETS				
Cash and cash equivalents	\$ 1,140,789	\$ 448,717	\$ 1,589,506	\$ 66,186
Accounts receivable				7,000
Due from other funds		172,873	172,873	
Prepaid expenditures	<u>60,456</u>		<u>60,456</u>	
Total assets	<u>\$ 1,201,245</u>	<u>\$ 621,590</u>	<u>\$ 1,822,835</u>	<u>\$ 73,186</u>
 <u>LIABILITIES AND FUND BALANCE</u>				
LIABILITIES				
Accounts payable	\$ 26,195	\$	\$ 26,195	\$
Accrued wages	21,929		21,929	
Accrued vacation and sick	25,274		25,274	
Accrued pension and withholding	4,165		4,165	
Accrued expenses	26,034		26,034	
Due to other funds	<u>172,873</u>		<u>172,873</u>	
Total liabilities	<u>276,470</u>		<u>276,470</u>	
FUND BALANCES				
Unreserved	908,764		908,764	
Designated	<u>16,011</u>	<u>621,590</u>	<u>637,601</u>	<u>73,186</u>
Total fund balances	<u>924,775</u>	<u>621,590</u>	<u>1,546,365</u>	<u>73,186</u>
Total liabilities and fund balances	<u>\$ 1,201,245</u>	<u>\$ 621,590</u>	<u>\$ 1,822,835</u>	<u>\$ 73,186</u>

The notes are an integral part of the financial statements.

HOWELL AREA FIRE AUTHORITY
RECONCILIATION OF STATEMENT OF NET ASSETS
OF GOVERNMENTAL FUNDS TO THE BALANCE SHEET
JUNE 30, 2008

Amounts reported for governmental activities in the Statement
of Net Assets are different because:

Total fund balance per balance sheet	\$ 1,546,365
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Capital assets used in governmental activities are not financial
resources and therefore, are not reported in the funds.

Historical cost	\$ 3,186,336
Depreciation	<u>(2,208,109)</u>

Capital assets net of depreciation	978,227
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Some liabilities are not due and payable in the current period
and therefore are not reported in the funds. These include:

Capital leases payable	<u>(419,481)</u>
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Net assets of governmental activities	<u><u>\$ 2,105,111</u></u>
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The notes are an integral part of the financial statements.

HOWELL AREA FIRE AUTHORITY
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS AND COMPONENT UNIT
FOR THE YEAR ENDED JUNE 30, 2008

	Major Funds			Component Unit
	General	Capital Reserve Equipment Fund	Total	Hazardous Materials Fund
REVENUES				
Fire millage	\$ 1,901,600	\$	\$ 1,901,600	\$
Donations	11,900		11,900	
Charges for services				28,000
Grant	1,300		1,300	
Interest	30,784	12,653	43,437	200
Miscellaneous	10,119		10,119	
Total revenues	<u>1,955,703</u>	<u>12,653</u>	<u>1,968,356</u>	<u>28,200</u>
EXPENDITURES				
Current:				
Fire protection	1,725,168		1,725,168	15,136
Capital outlay				
Fire protection		419,481	419,481	
Debt service				
Principal	19,330		19,330	
Interest	938		938	
Total expenditures	<u>1,745,436</u>	<u>419,481</u>	<u>2,164,917</u>	<u>15,136</u>
Excess of revenues over (under) expenditures	<u>210,267</u>	<u>(406,828)</u>	<u>(196,561)</u>	<u>13,064</u>
OTHER FINANCING SOURCES (USES)				
Transfers in		172,873	172,873	
Transfers (out)	(172,873)		(172,873)	
Lease proceeds		419,481	419,481	
Total other financing sources (uses)	<u>(172,873)</u>	<u>592,354</u>	<u>419,481</u>	
Net changes in fund balance	37,394	185,526	222,920	13,064
FUND BALANCE, JULY 1, 2007	<u>887,381</u>	<u>436,064</u>	<u>1,323,445</u>	<u>60,122</u>
FUND BALANCE, JUNE 30, 2008	<u>\$ 924,775</u>	<u>\$ 621,590</u>	<u>\$ 1,546,365</u>	<u>\$ 73,186</u>

The notes are an integral part of the financial statements.

HOWELL AREA FIRE AUTHORITY
RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2008

Amounts reported for governmental activities in the Statement of Activities are different because:

Net change in fund balances - governmental funds	\$ 222,920
Governmental funds report capital outlay as expenditures. However, in the Statement of Activities the cost of those assets are allocated over their useful lives as depreciation expense. The amount by which capital outlays exceeded depreciation is as follows:	
Capital outlay	\$ 419,481
Depreciation expense	<u>(176,316)</u>
Total	243,165
Proceeds from lease purchase agreements are not considered current revenues in the Statement of Activities	(419,481)
Repayment of capital lease debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets	
Repayment of capital leases payable	<u>19,330</u>
Change in net assets of governmental activities	<u><u>\$ 65,934</u></u>

The notes are an integral part of the financial statements.

NOTES
TO
FINANCIAL
STATEMENTS

HOWELL AREA FIRE AUTHORITY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2008

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. REPORTING ENTITY

The Howell Area Fire Authority was organized under Public Act No. 57, of the Public Acts of 1988, as amended in December of 2001. The Authority approved a fiscal year-end date of June 30. The purpose of the Authority is to provide fire protection and other emergency health and safety services. The governing board of the Authority is made up of five voting members and one non-voting board member (assistant secretary-treasurer). The five voting board members come from the following incorporating municipalities:

- City of Howell
- Cohoctah Township
- Marion Township
- Oceola Township
- Howell Township

The sixth board member is elected by the five voting members to serve as the assistant secretary-treasurer. Each voting board member is selected by its respective municipality board of trustees.

The board members appoint its officers.

In accordance with generally accepted accounting principles and Governmental Accounting Standards Board (GASB) Statement No. 39 "The Financial Reporting Entity", these financial statements present all activities of the Authority. The Hazardous Materials Fund is a component unit of the Authority. Area fire departments contribute to this fund and the Haz-Mat Board is comprised of individuals appointed by Livingston County.

B. BASIC FINANCIAL STATEMENTS

In accordance with GASB Statement No. 34 - *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*, the basic financial statements include both government-wide and fund financial statements.

The government-wide financial statements (Statement of net Assets and Statement of Activities) report on the Authority as a whole. All activities are reported in the government-wide financial statements using the economic resources measurement focus and the accrual basis of accounting, which includes long-term assets and receivables as well as long-term debt and obligations. The government-wide financial statements focus more on the sustainability of the Authority as an entity and the change in aggregate financial position resulting from the activities of the fiscal period.

HOWELL AREA FIRE AUTHORITY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2008

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The government-wide Statement of Net Assets reports all financial and capital resources of the Authority. It is displayed in a format of assets less liabilities equals net assets, with the assets and liabilities shown in order of their relative liquidity.

The government-wide Statement of Activities demonstrates the degree to which both direct and indirect expenses of the various functions and programs of the Authority are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or identifiable activity. Indirect expenses for administrative overhead are allocated among the functions and activities using a full cost allocation approach and are presented separately to enhance comparability of direct expenses between governments that allocate direct expenses and those that do not. Program revenues include: 1) charges to customers or users who purchase, use or directly benefit from goods, services or privileges provided by a particular function or program and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Taxes, unrestricted investment income and other revenues not identifiable with particular functions or programs are included as general revenues. The general revenues support the net costs of the functions and programs not covered by program revenues.

Also, part of the basic financial statements are fund financial statements for the governmental funds. The focus of the fund financial statements is on major funds, as defined by GASB Statement No. 34. Although this reporting model sets forth minimum criteria for determination of major funds (a percentage of assets, liabilities, revenues, or expenditures of fund category and of the governmental funds combined), it also gives governments the option of displaying other funds as major funds. Other non-major funds are combined in a single column on the fund financial statements.

The Authority reports the following major governmental funds:

The General Fund is the Authority's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The Capital Reserve Equipment Fund accounts for the activity associated with the acquisition of capital assets. This fund is supported by General Fund transfers and taxes.

C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

The governmental fund financial statements are prepared on a current financial resources measurement focus and modified accrual basis of accounting. To conform to the modified accrual basis of accounting, certain modifications must be made to the accrual method. These modifications are outlined below:

1. Revenue is recorded when it becomes both measurable and available (received within 60 days after year-end). Revenue considered susceptible to accrual includes: property taxes, sales and use taxes, transient occupancy taxes, licenses, fees and permits, intergovernmental revenues (including motor vehicle license fees), charges for services, fines, forfeits and penalties, and interest.

HOWELL AREA FIRE AUTHORITY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2008

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2. Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as fund liabilities when due or when amounts have been accumulated in the debt service fund for payments to be made early in the following year.
3. Disbursement for the purchase of capital assets providing future benefits are considered expenditures. Any bond proceeds are reported as another financing source.

With this measurement focus, operating statements present increases and decreases in net current assets and unreserved fund balance as a measure of available spendable resources.

This is the traditional basis of accounting for governmental funds and also is the manner in which these funds are normally budgeted. This presentation is deemed most appropriate to: 1) demonstrate legal and covenant compliance, 2) demonstrate the sources and uses of liquid resources, and 3) demonstrate how the Authority's actual revenues and expenditures conform to the annual budget. Since the governmental funds financial statements are presented on a different basis than the governmental activities column of the government-wide financial statements, a reconciliation is provided immediately following each fund statement. These reconciliations briefly explain the adjustments necessary to transform the fund financial statements into the governmental activities column of the government-wide financial statements.

D. CAPITAL ASSETS

Under GASB Statement No. 34, all capital assets are recorded and depreciated in the government-wide financial statements. No long-term capital assets or depreciation are shown in the governmental funds financial statements.

Capital assets are defined as assets with an initial, individual cost of more than \$5,000 and an estimated useful life greater than one year. Capital assets are recorded at cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at the estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major improvements are capitalized and depreciated over the remaining useful lives of the related capital assets.

E. MANAGEMENT ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

HOWELL AREA FIRE AUTHORITY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2008

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

F. BUDGETS

An annual operating budget on the modified accrual basis of accounting consistent with accounting principles generally accepted in the United States of America is formally adopted for the General and Capital Reserve Funds. The budget can be amended by approval from the Authority's Board and the member municipalities. The budget amounts shown in the financial statements are the final authorized amounts as revised during the year. All annual appropriations lapse at the fiscal year end.

G. RISK MANAGEMENT

The Authority is exposed to various risks of loss pertaining to property loss, torts, errors and omissions, and employee injuries (workers' compensation), as well as medical benefits provided to employees. The Authority has purchased commercial insurance for these claims. Settled claims related to the commercial insurance have not exceeded the amount of insurance coverage.

H. ACCRUED COMPENSATED ABSENCES

The Authority has recorded a liability for compensated absences of the fire department. The policies regarding compensated absences are outlined in the Authority's "Rules of Employment".

NOTE 2 - CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2008 was as follows:

	Balance 7/1/2007	Additions	Deletions	Balance 6/30/2008
Land	\$ 433,812	\$	\$	\$ 433,812
Leasehold improvements	7,278			7,278
Vehicles and equipment	2,325,765	419,481		2,745,246
	<hr/>	<hr/>	<hr/>	<hr/>
Total capital assets	2,766,855	419,481		3,186,336
Accumulated depreciation	(2,031,793)	(176,316)		(2,208,109)
	<hr/>	<hr/>	<hr/>	<hr/>
Governmental activities capital asset, net	\$ 735,062	\$ 243,165	\$	\$ 978,227
	<hr/>	<hr/>	<hr/>	<hr/>

Depreciation expense is being recorded solely for fire protection services. The Authority utilizes the straight line method to depreciate capital assets over their estimated useful lives. There is \$419,481 of capital lease long-term debt associated with these assets.

HOWELL AREA FIRE AUTHORITY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2008

NOTE 3 - CAPITAL LEASES PAYABLE

The Authority has the following capital leases:

1. The Authority has entered into a capital lease with Ford Motor Credit Company to finance the purchase of three Ford Expedition vehicles. The lease calls for annual payments of \$20,268 with an interest rate of 4.85% included with each annual payment. The lease expired during the year ended June 30, 2008.
2. The Authority has entered into a capital lease with Oshkosh Capital to finance the purchase of a 2008 Pierce (Engine 22). The lease calls for annual payments of \$95,182 with an interest rate of 4.36% included with each annual payment. The lease expires during the year ended June 30, 2013.

	Balance at 7/1/2007	Lease Proceeds	Principle Paid	Balance at 6/30/2008	Due Within One Year
Capital lease payable					
Ford Motor Credit	\$ 19,330	\$	\$ 19,330	\$	\$
Oshkosh Capital		419,481		419,481	76,892
Total	<u>\$ 19,330</u>	<u>\$ 419,481</u>	<u>\$ 19,330</u>	<u>\$ 419,481</u>	<u>\$ 76,892</u>

The following is a schedule of principle and interest payments to service the capital lease obligations of the Authority:

	Capital Lease Payable	
	Principle	Interest
2008 - 2009	\$ 76,892	\$ 18,289
2009 - 1010	80,245	14,937
2010 - 2011	83,744	11,438
2011 - 2012	87,395	7,787
2012 - 2013	91,205	3,977
	<u>\$ 419,481</u>	<u>\$ 56,428</u>

HOWELL AREA FIRE AUTHORITY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2008

NOTE 4 - LEASE AGREEMENTS - (BUILDINGS)

The Authority has lease agreements for buildings which house offices, equipment and vehicles. The following is a schedule of lease terms and lessors:

<u>LESSOR</u>	<u>LEASE TERMS - JULY 1, 2007 THROUGH JUNE 30, 2008</u>
1. City of Howell - Fire station and sub-station (2 buildings)	Lease charge is \$68,702
2. Marion Township - Fire Station	Lease charge is \$19,658
3. Cohoctah Township - Fire Station	Lease charge is \$12,000
4. Oceola Township - Fire Station	Lease charge is \$23,652

These leases are renewed annually. The Authority does not expect a significant variance in annual commitments for the lease terms for the year ending June 30, 2009.

NOTE 5 - DEFINED BENEFIT PLAN -
MICHIGAN MUNICIPAL EMPLOYEES RETIREMENT SYSTEM (MERS)

The Authority provides a defined benefit pension plan under MERS. MERS is an agent multiple-employer, state-wide, defined benefit public employee retirement plan created under Public Act 135 of 1945 and now operates under Public Act 220 of 1996. MERS was established by the State of Michigan for purposes of providing retirement, survivor and disability benefits on a voluntary basis to the State's local government employees. Under Public Act 220, MERS became an independent public non-profit corporation independent from State government. The effective date of independence was August 16, 1996, at which time MERS ceased to be a part of the State of Michigan, Department of Management and Budget.

As of June 30, 2008 the Authority had four covered employees and 82 total employees. Covered and total payrolls for the year then ended was \$208,926 and \$1,045,537 respectively. Currently there are no retirants receiving benefits from the plan. Total employer contributions made to the plan during the year ended was \$25,536. Total employee contributions were \$7,093.

HOWELL AREA FIRE AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2008

NOTE 5 - DEFINED BENEFIT PLAN -
MICHIGAN MUNICIPAL EMPLOYEES RETIREMENT SYSTEM (MERS) (continued)

At December 31, 2007, the unfunded pension liability was \$127,855, determined as follows:

Actuarial Accrued Liability

Retirees and beneficiaries currently receiving benefits	\$ 0
Terminated employees not yet receiving benefits	0
Current employees - Accumulated employee contributions including allocated investment income	43,438
Employer financed	<u>435,058</u>
Total actuarial accrued liability	478,496
Net assets available for benefits at actuarial value	<u>350,641</u>
Unfunded actuarial accrued liability	<u>\$ 127,855</u>
Annual required contribution	<u>\$ 25,656</u>

The combined change in the pension benefit resulting from benefit changes, if any, and revisions in actuarial assumptions is 0.055889.

Analysis of Funding Progress

Valuation Date <u>December 31</u>	Net Assets Available for <u>Benefits</u>	Pension Benefit Obligation <u>(PBO)</u>	Percent Funded <u>(1)/(2)</u>	Unfunded (Overfunded) PBO <u>(2)-(1)</u>	Annual Covered Payroll	Unfunded PBO as a % of Covered Payroll
2004	\$ 192,096	\$ 308,622	62%	\$ 116,526	\$ 187,775	62%
2005	240,089	357,840	67%	117,751	192,814	61%
2006	294,239	417,772	70%	123,533	206,356	60%
2007	350,641	478,496	73%	127,855	208,926	61%

HOWELL AREA FIRE AUTHORITY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2008

NOTE 6 - EMPLOYEE RETIREMENT PLAN

The Authority participates in two ICMA Deferred Compensation plans (Sec. 457) for part-time and full-time employees. Under each plan the employee is allowed to contribute pre-tax dollars up to the Internal Revenue Service limit from his or her payroll.

The Authority has also adopted a defined contribution plan (Sec. 401a) with ICMA for the benefit of its part time employees. According to the plan agreement, the Authority contributes \$1 for \$1 of the employee's Sect. 457 withholding up to 5% of gross wages for the year ending June 30, 2008.

Since the full time employees belong to MERS defined benefit program they do not belong to the defined contribution plan under 401a.

TOTAL CURRENT YEAR EMPLOYER CONTRIBUTIONS	\$ <u>15,192</u>
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TOTAL CURRENT YEAR EMPLOYEE CONTRIBUTIONS	\$ <u>48,392</u>
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These balances reflect contributions for the period from July 1, 2007 to June 30, 2008.

NOTE 7 - DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS

Michigan Compiled Laws, Section 129.91, authorizes the Authority to deposit and invest in the accounts of federally insured banks, credit unions, and savings and loan associations; bonds, securities and other direct obligations of the United States, or any agency or instrumentality of the United States; United States government or Federal agency obligation repurchase agreements; bankers; acceptance of United States banks; commercial paper rated by two standard rating agencies within the two highest classifications, which mature not more than 270 days after the date of purchase; obligations of the State of Michigan or its political subdivisions which are rated investment grade; and mutual funds composed of investment vehicles which are legal for direct investment by local units of government in Michigan. Financial institutions eligible for deposit of public funds must maintain an office in Michigan. The Authority deposits are in accordance with statutory authority. The Authority maintains an imprest petty cash balance of \$250.

The investment policy adopted by the board is in accordance with Act 196 PA 1997. The Authority's deposits and investments are in accordance with statutory authority.

The Governmental Accounting Standards Board Statement No. 3 risk disclosures for the Authority's deposits are as follows:

	Carrying Amount	Bank Balance	Component Unit
Insured	\$ 200,000	\$ 200,000	\$ 66,186
Uninsured and uncollateralized	<u>1,389,506</u>	<u>1,392,615</u>	<u> </u>
Total	<u><u>\$ 1,589,506</u></u>	<u><u>\$ 1,592,615</u></u>	<u><u>\$ 66,186</u></u>

HOWELL AREA FIRE AUTHORITY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2008

NOTE 7 - DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS (continued)

The Authority's cash and investments are subject to various types of risk, which are examined in more detail below:

Custodial Credit Risk of Bank Deposits

Custodial credit risk is the risk that in the event of a bank failure, the Authority's deposits may not be returned to it. The Authority does not have a deposit policy for custodial credit risk. At year end, the Authority had \$1,392,615 of bank deposits (certificates of deposit, checking, and savings accounts) that were uninsured and uncollateralized. The Authority believes that due to the dollar amounts of cash deposits and the limits of FDIC insurance, it is impractical to insure all deposits. As a result, the Authority evaluates each financial institution with which it deposits funds and assesses the level of risk of each institution; only those institutions with an acceptable estimated risk level are used as depositories.

Concentration of Credit Risk

The Authority places no limit on the amounts the Authority may invest in any one issuer.

NOTE 8 - DESIGNATED FUND BALANCE

As of June 30, 2008 the Authority's fund balance was designated for the following purposes:

Capital reserve	\$ 621,590
Fire Safety House	5,740
AED's	1,780
See in the Dark	850
Dive Team	2,673
Honor Guard	<u>4,968</u>
Total	<u><u>\$ 637,601</u></u>

The designated balance is a net result of outside donations and expenditures for the above purposes, except for the capital reserve. The capital reserve balance represents a portion of the property taxes to be designated for future capital purchases.

NOTE 9 - INTERFUND TRANSACTIONS AND BALANCES

Interfund transfers for the year ended June 30, 2008 were as follows:

<u>Transfer in</u>	<u>Transfer out</u>	<u>Purpose</u>	<u>Amount</u>
Capital Reserve Equipment Fund	General Fund	Save funds for future capital improvements	<u><u>\$ 172,873</u></u>

REQUIRED
SUPPLEMENTARY
INFORMATION

HOWELL AREA FIRE AUTHORITY
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008

	Budget Amount			Variance with Final Budget Favorable (Unfavorable)
	Original	Final	Actual	
REVENUES				
Fire millage	\$ 1,842,106	\$ 1,846,287	\$ 1,901,600	\$ 55,313
Donations		11,900	11,900	
Interest	37,000	31,150	30,784	(366)
Grant			1,300	1,300
Refunds		22,390	5,559	(16,831)
Miscellaneous		4,146	4,560	414
Total revenues	1,879,106	1,915,873	1,955,703	39,830
EXPENDITURES	2,167,122	1,799,708	1,745,436	54,272
Excess of revenues over (under) expenditures	(288,016)	116,165	210,267	94,102
OTHER FINANCING SOURCES (USES)				
Transfers in	400,000			
Transfers (out)	(168,673)	(172,854)	(172,873)	(19)
Total other financing sources (uses)	231,327	(172,854)	(172,873)	(19)
Net change in fund balance	(56,689)	(56,689)	37,394	94,083
FUND BALANCE, JULY 1, 2007	887,381	887,381	887,381	
FUND BALANCE, JUNE 30, 2008	\$ 830,692	\$ 830,692	\$ 924,775	\$ 94,083

HOWELL AREA FIRE AUTHORITY
CAPITAL RESERVE EQUIPMENT FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008

	Budget Amount			Variance with Final Budget Favorable (Unfavorable)
	Original	Final	Actual	
REVENUES				
Interest	\$	\$	\$ 12,653	\$ 12,653
EXPENDITURES			419,481	(419,481)
Excess of revenues over (under) expenditures			(406,828)	(406,828)
OTHER FINANCING SOURCES (USES)				
Transfers in	168,673	172,854	172,873	19
Transfers (out)	(400,000)			
Lease proceeds			419,481	419,481
Total other financing sources (uses)	(231,327)	172,854	592,354	419,500
Net change in fund balance	(231,327)	172,854	185,526	12,672
FUND BALANCE, JULY 1, 2007	436,064	436,064	436,064	
FUND BALANCE, JUNE 30, 2008	<u>\$ 204,737</u>	<u>\$ 608,918</u>	<u>\$ 621,590</u>	<u>\$ 12,672</u>

SUPPLEMENTARY
INFORMATION

HOWELL AREA FIRE AUTHORITY
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008

	Amended Budget	Actual	Variance Favorable (Unfavorable)
REVENUES	\$ 1,915,873	\$ 1,955,703	\$ 39,830
EXPENDITURES			
Personnel	1,291,360	1,291,885	(525)
Professional fees	36,800	29,278	7,522
Insurance - liability	40,000	35,867	4,133
Supplies	44,200	41,867	2,333
Equipment and capital outlay	24,929	16,299	8,630
Communications	10,500	9,909	591
Uniforms	28,000	26,038	1,962
Training	29,000	24,559	4,441
Repairs and maintenance	44,000	41,691	2,309
Unallocated	51,857	47,590	4,267
City station #20	88,244	85,119	3,125
Marion street substation #21	18,758	17,921	837
Oceola fire station #22	44,502	34,455	10,047
Marion township station #23	27,258	25,132	2,126
Cohoctah township station #24	20,300	17,826	2,474
Total expenditures	1,799,708	1,745,436	54,272
Excess revenues over (under) expenditures	116,165	210,267	94,102
OTHER FINANCING SOURCES (USES)			
Transfers (out)	(172,854)	(172,873)	(19)
Net change in fund balance	(56,689)	37,394	94,083
FUND BALANCE, JULY 1, 2007	887,381	887,381	
FUND BALANCE, JUNE 30, 2008	\$ 830,692	\$ 924,775	\$ 94,083

HOWELL AREA FIRE AUTHORITY
GENERAL FUND
STATEMENT OF REVENUES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008

	Amended Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Fire millage			
City of Howell	\$ 390,000	\$ 359,212	\$ (30,788)
Howell Township	325,000	334,343	9,343
Marion Township	397,646	431,762	34,116
Oceola Township	445,787	483,339	37,552
Cohoctah Township	115,000	120,071	5,071
Reserved for capital replacement	172,854	172,873	19
Grant - Fire assistance		1,300	1,300
Refunds	22,390	5,559	(16,831)
Interest income	31,150	30,784	(366)
Miscellaneous revenue	4,146	4,560	414
Donations	11,900	11,900	
	<u>11,900</u>	<u>11,900</u>	
Total revenues	<u>\$ 1,915,873</u>	<u>\$ 1,955,703</u>	<u>\$ 39,830</u>

HOWELL AREA FIRE AUTHORITY
GENERAL FUND
STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008

	Amended Budget	Actual	Variance Favorable (Unfavorable)
PERSONNEL			
Salaries - fire personnel	\$	\$ 1,025,901	\$
Salaries - board		4,425	
Payroll taxes		78,211	
Health insurance		69,578	
Disability insurance		16,310	
Worker compensation insurance		57,368	
Pension		40,092	
		<u>1,291,360</u>	
Total personnel	<u>1,291,360</u>	<u>1,291,885</u>	<u>(525)</u>
PROFESSIONAL FEES			
Payroll administration		9,465	
Accounting services		3,753	
Auditor fees		9,525	
Computer support		3,470	
Attorney fees		2,890	
Training		175	
		<u>36,800</u>	
Total professional fees	<u>36,800</u>	<u>29,278</u>	<u>7,522</u>
INSURANCE			
General liability	<u>40,000</u>	<u>35,867</u>	<u>4,133</u>
SUPPLIES			
Office supplies		3,430	
Food and beverage		1,459	
Postage		1,248	
Operating supplies		35,730	
		<u>44,200</u>	
Total supplies	<u>44,200</u>	<u>41,867</u>	<u>2,333</u>
EQUIPMENT AND CAPITAL OUTLAY			
Small equipment		12,131	
Office furniture		3,868	
Computer software		300	
		<u>24,929</u>	
Total equipment and capital outlay	<u>24,929</u>	<u>16,299</u>	<u>8,630</u>
COMMUNICATIONS			
Cellular phones		9,165	
Pagers		744	
		<u>10,500</u>	
Total communications	<u>10,500</u>	<u>9,909</u>	<u>591</u>

HOWELL AREA FIRE AUTHORITY
GENERAL FUND
STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL (continued)
FOR THE YEAR ENDED JUNE 30, 2008

	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
UNIFORMS			
Clothing allowance		7,151	
Protective clothing		18,887	
Total uniforms	28,000	26,038	1,962
TRAINING			
Public teaching		17,314	
Community promotion		5,222	
Seminars and conferences		1,282	
Educational supplies		741	
Total training	29,000	24,559	4,441
REPAIRS AND MAINTENANCE			
Repairs and maintenance - equipment		10,205	
Repairs and maintenance - radios		1,081	
Repairs and maintenance - vehicles		30,405	
Total repairs and maintenance	44,000	41,691	2,309
UNALLOCATED			
Capital lease (principal and interest) - vehicles		20,268	
Mileage		2,969	
Physicals and examinations		2,110	
Miscellaneous		925	
Bank charges		205	
Dues and memberships		2,035	
Printing and publications		3,886	
Purchases from donations		8,273	
Hazardous material projects		3,799	
Tax chargebacks		3,120	
Total unallocated	51,857	47,590	4,267
CITY STATION #20			
Grounds maintenance		2,680	
Telephone		5,035	
Utilities		19,126	
Repairs and maintenance		2,734	
Lease - building		55,544	
Total city station #20	88,244	85,119	3,125

HOWELL AREA FIRE AUTHORITY
GENERAL FUND
STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL (continued)
FOR THE YEAR ENDED JUNE 30, 2008

	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
MARION STREET SUBSTATION #21			
Telephone		606	
Utilities		3,531	
Repairs and maintenance		626	
Lease - building		13,158	
		<u>18,758</u>	<u>17,921</u>
Total Marion Street substation #21	<u>18,758</u>	<u>17,921</u>	<u>837</u>
OCEOLA FIRE STATION #22			
Grounds maintenance		2,074	
Telephone		606	
Utilities		7,791	
Repairs and maintenance		332	
Lease - buildings		23,652	
		<u>44,502</u>	<u>34,455</u>
Total Oceola fire station #22	<u>44,502</u>	<u>34,455</u>	<u>10,047</u>
MARION TOWNSHIP STATION #23			
Telephone		606	
Utilities		4,235	
Repairs and maintenance		633	
Lease - building		19,658	
		<u>27,258</u>	<u>25,132</u>
Total Marion Township station #23	<u>27,258</u>	<u>25,132</u>	<u>2,126</u>
COHOCTAH TOWNSHIP STATION #24			
Grounds maintenance		600	
Utilities		4,368	
Telephone		622	
Repairs and maintenance		236	
Lease - buildings		12,000	
		<u>20,300</u>	<u>17,826</u>
Total Cohoctah Township station #24	<u>20,300</u>	<u>17,826</u>	<u>2,474</u>
Total expenditures	<u>\$ 1,799,708</u>	<u>\$ 1,745,436</u>	<u>\$ 54,272</u>

September 16, 2008

Board of Trustees
Howell Area Fire Authority
1211 W. Grand River
Howell, Michigan 48843

Dear Honorable Board of Trustees:

During our audit of Howell Area Fire Authority we came across various matters that we would like to discuss with you as part of our audit presentation for the year ending June 30, 2008.

The matters which we would like to discuss with you are as follows:

There is a new auditing standard (SAS #112) which we are required to follow as your auditing firm. This new standard relates to more formal communications by us to you regarding significant deficiencies in your internal controls and accounting procedures.

There are certain issues (deficiencies) which were previously considered general comments but under the new standard are now considered significant deficiencies.

A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process or report financial data reliably in accordance with accounting principles generally accepted in the United States of America such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity or detected by the entity's internal control.

We consider the following to be a material weakness of the Authority.

- Journal entries were required during the audit to ensure the financial statement presentation was in conformity with generally accepted accounting principles. It should be noted that these journal entries were related to the full-accrual presentation of the government-wide statements (converting fund financial statements to full accrual statements).

We have previously discussed this matter with you and your response was as follows:

Response by Management

We understand that you must follow the aforementioned auditing standard to complete the audit in accordance with Generally Accepted Auditing Standards as applicable to the audit of the Authority. However, we prefer that you as our auditing firm continue to make the applicable journal entries to convert the fund financial statements to full accrual statements as required by GASB 34. We believe the costs to circumvent this comment would outweigh the benefits to the Authority.

The following are other matters we would like to discuss with you:

1. Post Employment Benefits - Health Care and GASB No. 45

The Authority does have a policy which will allow for retirees to receive health care benefits for life if the retiree meets certain criteria. There are no current retirees receiving this benefit.

The Governmental Accounting Standards Board has released Statement No. 45, Accounting and Reporting by Employers for Post Employment Benefits Other Than Pensions. This statement gives new guidance to governmental employers in recognizing costs of post-employment benefits such as health care. The statement is effective for the year ending June 30, 2009.

The Authority will be required to record as a liability any under funding of the recommended contribution. The contribution amount will be calculated based on a valuation (actuarial) of the obligation to provide the health care benefits.

We suggest the Authority start preparing itself for this future requirement. The Authority should consider discussing with outside consultants the costs involved to do an actuarial calculation of the under funded liability and annual contribution.

2. Computer and Information Systems Support Agreement

The Authority maintains its network for the computer system at a separate location where it is maintained by an outside support company. As of the report date, there was not a confidentiality agreement between the Authority and support company regarding the information and data stored on the network. The Authority should have something in writing (contract, agreement, etc.) with the support company which verifies responsibilities for both parties. This would help alleviate any differences of opinion if any data or information was changed, lost or stolen. Controls put in place by the support company should also be included with this agreement to give the Authority some comfort.

3. Prescription Reimbursement Plan

The Authority reimburses the full time employees who are covered under the health plan 50% of the deductible for prescription coverage. This policy is not included in the personnel manual as approved by the Board. If the Authority Board agrees with this policy of reimbursement, the policy should be added to the personnel manual and approved by the Board.

4. Insurance Coverage and Indemnification

The Authority has signed lease agreements with each member municipality that owns a Fire Hall. Each lease agreement states: "Tenant (Authority) shall indemnify Landlord and keep Landlord harmless from any liability or claim for damages that may be asserted against Landlord because of any accident or casualty occurring on or about the premises --- In addition Tenant shall name the Landlord as an additional insured with respect to liability for those premises on Tenants' insurance policy."

It did not appear based on the Authority's insurance policy that either of the two listed items was being done. The Authority should contact its insurance carrier and discuss the above items.

5. Cell Phone Usage

The Authority issues cell phones to employees who require their use. We tested the various numbers to verify employees of the Authority are indeed the users of each phone. We did find one of the users is paid as an outside contractor and is not an employee. The Board should approve any non-employees as a user of an Authority cell phone.

6. Concentration of Custodial Risk

The Authority had over \$1.5 million in two (2) financial institutions as of June 30, 2008 of which only \$200,000 was FDIC insured. We suggest the Authority review its allocation of investments for more diversity.

Conclusion

Thank you for your assistance and hospitality toward our firm while conducting the audit of the Howell Area Fire Authority

If you should have any questions, comments or concerns please do not hesitate to call us.

This report is intended solely for the information and use of the Trustees and management of Howell Area Fire Authority and is not intended to be and should not be used by anyone other than the specified parties.

Pfeffer, Hanniford & Palka, P.C.

PFEFFER, HANNIFORD & PALKA
Certified Public Accountants